New Residential Quarterly Supplement

Second Quarter 2013

*The Total/WA Assets and Net Investment figures have been updated on page 9 on November 7, 2013 to reflect corrected numbers. No other figures have been updated throughout the presentation.
Disclaimers

FORWARD-LOOKING STATEMENTS. Certain statements in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation references to potential or projected future cash flows, lifetime estimated returns and potential future investments. These statements are based on management's current expectations and beliefs and are subject to a number of trends and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, many of which are beyond our control. New Residential can give no assurance that its expectations will be attained. Accordingly, you should not place undue reliance on any forward-looking statements contained in this press release. For a discussion of some of the risks and important factors that could affect such forward-looking statements, see the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operation” in the Company’s most recently filed Form 10-Q and its Registration Statement on Form 10, which are available on the Company’s website (www.newresi.com). In addition, new risks and uncertainties emerge from time to time, and it is not possible for the Company to predict or assess the impact of every factor that may cause its actual results to differ from those contained in any forward-looking statements. Such forward-looking statements speak only as of the date of this press release. New Residential expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

CAUTIONARY NOTE REGARDING EXPECTED RETURNS AND EXPECTED YIELDS. Expected returns and expected yields are estimates of the annualized effective rate of return that we presently expect to be earned over the expected average life of an investment (i.e., IRR), after giving effect, in the case of returns, to existing leverage, and calculated on a weighted average basis. Expected returns and expected yields reflect our estimates of an investment’s coupon, amortization of premium or discount, and costs and fees, and they contemplate our assumptions regarding prepayments, defaults and loan losses, among other things. In the case of Excess MSRs, these assumptions include, but are not limited to, the recapture rate. Income recognized by the Company in future periods may be significantly less than the income that would have been recognized if an expected return or expected yield were actually realized, and the estimates we use to calculate expected returns and expected yields could differ materially from actual results. Statements about expected returns and expected yields in this presentation are forward-looking statements. You should carefully read the cautionary statement above under the caption “Forward-looking Statements,” which directly applies to our discussion of expected returns and expected yields.

PAST PERFORMANCE. Past performance is not a reliable indicator of future results and should not be relied upon as the basis for making an investment decision.

NO OFFER; NO RELIANCE. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any security and may not be relied upon in connection with the purchase or sale of any security. Any such offer would only be made by means of formal offering documents, the terms of which would govern in all respects. You should not rely on this presentation as the basis upon which to make any investment decision.

INVESTMENT GUIDELINES. Our manager has great latitude in determining which investments are appropriate for us. Our investment guidelines are purposefully broad to enable our manager to make investments in a wide array of assets on our behalf. We are not required to obtain stockholder consent to change our investment strategy or asset portfolio.
Abbreviations: This Presentation includes abbreviations, which have the following meanings:

• 30+ DQ – Percentage of loans that are delinquent by 30 days or more
• Age (mths) or Loan Age (mths) – Weighted average number of months loans are outstanding
• Cash Basis – Initial investment less cash received to date
• CDR – Constant Default Rate
• CLTV – ratio of current loan balance to estimated current asset value.
• Current CLTV (Combined Loan-to-Value ratio) – projection based on original CLTV and origination data indexed using FHFA’s HPA projections by zip code.
• CPR – Constant Prepayment Rate
• CRR – Constant Repayment Rate
• Cur UPB – UPB as of the end of the current month
• Excess MSRs – monthly interest payments generated by the related MSRs, net of a basic fee paid to the servicer.
• FHLMC – Freddie Mac / Federal Home Loan Mortgage Corporation
• FNMA – Fannie Mae / Federal National Mortgage Association
• FICO – A borrower’s credit metric generated by the credit scoring model created by the Fair Isaac Corporation
• Flow Arrangements – contractual recurring agreements, often monthly or quarterly, to purchase servicing of newly originated or highly delinquent loans
• GNMA – Ginnie Mae / Government National Mortgage Association
• LTD Cash Flows – Actual cash flow collected from the investment as of the end of the current month
• LTD – Life to Date
• Non-Performing Loans – “NPLs”
• Orig. UPB – UPB as of the investment’s acquisition date
• PLS – Private Label Securitizations
• Proj. Future Cash Flows – Future cash flow projected with the Company’s original underwriting assumptions
• Recapture Rate – Percentage of fully prepaid loans that are refinanced by Nationstar and will be put back into the pool
• Uncollected Payments – Percentage of loans that missed their most recent payment
• UPB – Unpaid Principal Balance
• Updated IRR – Internal rate of return calculated based on the cash flow received to date through the current month and the projected future cash flow based on our original underwriting assumptions.
• U/W LTD – Underwritten life-to-date
• WA – Weighted Average
• WAL – Weighted Average Life to Maturity
• WALA – Weighted Average Loan Age
• WAC – Weighted Average Coupon
Second Quarter 2013 Overview

New Residential was spun-off from Newcastle on May 15, 2013

- For the full second quarter:
  - Net income of $109.2 million, or $0.43 per diluted share
  - Core earnings of $37.5 million, or $0.15 per diluted share

- For the period following the spin-off:
  - Net income of $84.7 million, or $0.33 per diluted share
  - Core earnings of $17.7 million, or $0.07 per diluted share

<table>
<thead>
<tr>
<th></th>
<th>2Q’13 (4/1 to 6/30)</th>
<th>Post-Spin NRZ (5/16 to 6/30)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>($mm)</td>
<td>($/ diluted share)</td>
</tr>
<tr>
<td>Net Income</td>
<td>$109.2</td>
<td>$0.43</td>
</tr>
<tr>
<td>Core Earnings(2)</td>
<td>$37.5</td>
<td>$0.15</td>
</tr>
<tr>
<td>Common Dividend</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

1) Represents New Residential’s weighted average diluted shares (256,659,488) as if New Residential had been a public company for the full quarter.
2) Core earnings is a non-GAAP measure. For reconciliation of core earnings to GAAP Income, see page 40.
Second Quarter 2013 Highlights

**Spin-Off of New Residential**
- On May 15, Newcastle spun off New Residential

**Consumer Loan Investment**
- Initial investment of $241 million to acquire a 30% interest in a $3.9 billion consumer loan portfolio\(^1\) from HSBC, purchase price of 75% of par\(^2\)

**Excess MSR Investment**
- Invested $40 million to acquire an interest in the Excess MSRs related to a pool of Freddie Mac residential mortgage loans with a UPB of $23 billion

**Settled on Excess MSRs from January Bank of America Transaction**
- Invested $66 million to acquire interest in $48 billion non-Agency pool
- Invested $73 million to acquire interest in $34 billion Agency pool
- Expect remaining $39 billion of non-Agency pool to settle by September

**Non-Agency RMBS Purchases**
- Invested $140 million to purchase $180 million face at an average price of 78%
- Equity investment of $39 million after financing

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1) Represents UPB at time of settlement on April 1, 2013.
2) The average price of 75% is inclusive of a price adjustment to the settled collateral balance, which occurred subsequent to purchase.
NRZ – Business Snapshot at 2Q 2013

- NRZ is a residential-focused mortgage REIT with vast exposure to the $18 trillion U.S. housing market

<table>
<thead>
<tr>
<th>Initial Portfolio</th>
<th>Assets(^{(1)})</th>
<th>Net Investment(^{(2)})</th>
<th>Lifetime Estimated Return(^{(3)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excess MSRs</td>
<td>$618 mm</td>
<td>$618 mm</td>
<td>17%</td>
</tr>
<tr>
<td>Non-Agency RMBS</td>
<td>$630 mm</td>
<td>$217 mm</td>
<td>15%</td>
</tr>
<tr>
<td>Consumer Loans(^{(4)})</td>
<td>$851 mm</td>
<td>$264 mm</td>
<td>29%</td>
</tr>
<tr>
<td>Residential Mortgage Loans</td>
<td>$34 mm</td>
<td>$34 mm</td>
<td>10%</td>
</tr>
<tr>
<td>Agency RMBS</td>
<td>$1,116 mm</td>
<td>$55 mm</td>
<td>9%</td>
</tr>
<tr>
<td>Investable Cash</td>
<td>$49 mm</td>
<td>$49 mm</td>
<td>15%*</td>
</tr>
<tr>
<td>TOTAL/WA</td>
<td>$3.30 bn**</td>
<td>$1.24 bn**</td>
<td>18%</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Estimated return for cash assumes investment in target assets. There can be no assurance that we will be able to complete investments in assets that generate targeted returns.

\(^{(2)}\) The Total/WA Assets and Net Investment figures on this page have been updated as of November 7, 2013 to reflect corrected numbers.

\(^{(3)}\) The Total/WA Assets and Net Investment figures on this page have been updated as of November 7, 2013 to reflect corrected numbers.

1) Represents GAAP carrying value at June 30, 2013, except as noted for consumer loans. Cash and basis of Excess MSR investments reflect pro forma adjustments for the portions of the January Bank of America transaction that settled subsequent to June 30, 2013, as well as the portion that has not yet closed. The actual amount invested will depend on UPB at closing.

2) Net of financing, where applicable.

3) Estimated return, net of financing, excludes corporate expenses. Actual returns for all investments could differ materially.

4) Assets of $851 million represents 30% of the June 30, 2013 carrying value of the loans held in the joint venture. $264 million represents our core earnings investment amount for the consumer loans as of June 30, 2013. It was calculated by subtracting the $362 million of GAAP income recognized from the consumer loans, on an inception to date basis, from their GAAP carrying value of $280.8 million, and adding back the $19.8 million of consumer loan income recognized within core earnings.
Business Lines
Excess MSRs – 2Q 2013 Portfolio Overview

- $604 million invested or committed to invest in 11 pools related to loans with a $297 billion initial UPB
  - Average excess servicing fee of 19 bps for Agency and 10 bps for non-Agency
- 95% of borrowers have credit characteristics that imply: limited refinance options, higher recapture rates and slower CPRs
- Following quarter-end we settled on $82 billion of UPB from January Bank of America transaction – expect remaining portion to settle by the end of September

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Initial UPB ($bn)</th>
<th>Initial Investment ($mm)</th>
<th>Characteristics</th>
<th>CPR(2)</th>
<th>Recapture Rate(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current UPB</td>
<td>WAC</td>
<td>WALA</td>
<td>FICO</td>
<td>LTV</td>
</tr>
<tr>
<td>Agency Settled</td>
<td>$128</td>
<td>$110</td>
<td>5.2%</td>
<td>72</td>
<td>682</td>
</tr>
<tr>
<td></td>
<td>$308</td>
<td>$34</td>
<td>5.0%</td>
<td>44</td>
<td>671</td>
</tr>
<tr>
<td></td>
<td>$162</td>
<td>$144</td>
<td>5.1%</td>
<td>66</td>
<td>679</td>
</tr>
<tr>
<td>Non-Agency Settled</td>
<td>$48</td>
<td>$40</td>
<td>4.5%</td>
<td>88</td>
<td>655</td>
</tr>
<tr>
<td></td>
<td>$125</td>
<td>$48</td>
<td>5.1%</td>
<td>94</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>$135</td>
<td>$127</td>
<td>5.0%</td>
<td>89</td>
<td>655</td>
</tr>
<tr>
<td>Non-Agency Committed</td>
<td>$39</td>
<td>$39</td>
<td>5.4%</td>
<td>85</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>$32</td>
<td>$127</td>
<td>5.0%</td>
<td>89</td>
<td>655</td>
</tr>
<tr>
<td>Non-Agency</td>
<td>$48</td>
<td>$127</td>
<td>5.0%</td>
<td>89</td>
<td>655</td>
</tr>
<tr>
<td>Non-Agency</td>
<td>$125</td>
<td>$127</td>
<td>5.0%</td>
<td>89</td>
<td>655</td>
</tr>
<tr>
<td>TOTAL/WA:</td>
<td>$297 bn</td>
<td>$271 bn</td>
<td>5.1%</td>
<td>77 mth</td>
<td>674</td>
</tr>
</tbody>
</table>

1) Amounts include deposits of $8 million for an Agency pool Settled Post 2Q'13 and $2 million for a non-Agency pool Settled Post 2Q'13 which were paid in January 2013.
2) CPR and Recapture Rate exclude Pool 11, which closed during the quarter.
3) Committed, but not yet settled, includes a portion of an investment which is subject to closing approvals. The actual investment amount and UPB will vary depending on the time of closing.
The main performance metrics for our portfolios are CPR, recapture rates and delinquency rates

### CPR

<table>
<thead>
<tr>
<th>CPR</th>
<th>5%</th>
<th>10%</th>
<th>Base: 15%</th>
<th>20%</th>
<th>25%</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRR</td>
<td>24%</td>
<td>21%</td>
<td>17%</td>
<td>15%</td>
<td>13%</td>
</tr>
<tr>
<td>Total Cash Flows</td>
<td>$1,744</td>
<td>$1,451</td>
<td>$1,240</td>
<td>$1,122</td>
<td>$1,028</td>
</tr>
<tr>
<td>Carrying Value</td>
<td>$812</td>
<td>$709</td>
<td>$618</td>
<td>$573</td>
<td>$528</td>
</tr>
<tr>
<td>WAL (yrs)</td>
<td>7.5</td>
<td>6.9</td>
<td>6.6 yrs</td>
<td>6.2</td>
<td>6.1</td>
</tr>
</tbody>
</table>

### Recapture Rate

<table>
<thead>
<tr>
<th>Recapture Rate</th>
<th>10%</th>
<th>20%</th>
<th>Base: 31%</th>
<th>40%</th>
<th>50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRR</td>
<td>14%</td>
<td>16%</td>
<td>17%</td>
<td>19%</td>
<td>21%</td>
</tr>
<tr>
<td>Total Cash Flows</td>
<td>$1,070</td>
<td>$1,162</td>
<td>$1,240</td>
<td>$1,351</td>
<td>$1,443</td>
</tr>
<tr>
<td>Carrying Value</td>
<td>$560</td>
<td>$593</td>
<td>$618</td>
<td>$659</td>
<td>$692</td>
</tr>
<tr>
<td>WAL (yrs)</td>
<td>5.8</td>
<td>6.3</td>
<td>6.6 yrs</td>
<td>7.1</td>
<td>7.4</td>
</tr>
</tbody>
</table>

### Delinquency Rate

<table>
<thead>
<tr>
<th>Delinquency Rate</th>
<th>3%</th>
<th>5%</th>
<th>Base: 8%</th>
<th>10%</th>
<th>15%</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRR</td>
<td>18%</td>
<td>18%</td>
<td>17%</td>
<td>17%</td>
<td>16%</td>
</tr>
<tr>
<td>Total Cash Flows</td>
<td>$1,294</td>
<td>$1,276</td>
<td>$1,240</td>
<td>$1,231</td>
<td>$1,196</td>
</tr>
<tr>
<td>Carrying Value</td>
<td>$650</td>
<td>$639</td>
<td>$618</td>
<td>$612</td>
<td>$591</td>
</tr>
<tr>
<td>WAL (yrs)</td>
<td>6.6</td>
<td>6.6</td>
<td>6.6 yrs</td>
<td>6.7</td>
<td>6.7</td>
</tr>
</tbody>
</table>

### Discount Rate

<table>
<thead>
<tr>
<th>Discount Rate</th>
<th>10%</th>
<th>12%</th>
<th>Base: 12.5%</th>
<th>15%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrying Value</td>
<td>$686</td>
<td>$637</td>
<td>$618</td>
<td>$576</td>
</tr>
</tbody>
</table>

1) Estimated IRRs, total cash flows, book values and WAL represent management’s assumptions based on a variety of factors. Actual IRRs, total cash flows, book values and WAL may differ materially. See “Forward-Looking Statements” and “Cautionary Note Regarding Expected Returns and Expected Yields.”

2) Sensitivities are applied to Agency portfolio. Non-Agency portfolio cash flows are not affected by delinquency rates, but are included in total numbers shown.
Excess MSR Portfolio – Performance

- For the Excess MSRs that settled as of the end of 2Q 2013 (“Settled”):
  - We invested $433 million and received $111 million of LTD cash (26% of investment over an average of 12 months)
  - Potential future lifetime cash flows of $800 million – implies lifetime multiple of 2.1x\(^{(1)}\)
  - Current carrying value of $447 million and cash basis of $322 million

<table>
<thead>
<tr>
<th>Loan Type</th>
<th>Initial UPB ($bn)</th>
<th>Initial Investment ($mm)</th>
<th>Cash Flows ($mm)</th>
<th>Lifetime IRR(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Agency</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Settled</td>
<td>$128</td>
<td>$308</td>
<td>$38 $35 $73 $235 $585 2.1x $270 $52 $322</td>
<td>17% 18%</td>
</tr>
<tr>
<td>Settled Post 2Q’13</td>
<td>$34</td>
<td>$73(^{(4)})</td>
<td>- - - $73 $151 2.1x $73 - $73</td>
<td>15% 15%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$162</td>
<td>$381</td>
<td>$38 $35 $73 $308 $736 2.1x $343 $52 $395</td>
<td>16% 17%</td>
</tr>
<tr>
<td><strong>Non-Agency</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Settled</td>
<td>$48</td>
<td>$125</td>
<td>$17 $21 $38 $87 $215 2.0x $108 $17 $125</td>
<td>17% 18%</td>
</tr>
<tr>
<td>Settled Post 2Q’13</td>
<td>$48</td>
<td>$66(^{(4)})</td>
<td>- - - $66 $120 1.8x $66 - $66</td>
<td>13% 13%</td>
</tr>
<tr>
<td>Committed(^{(5)})</td>
<td>$39</td>
<td>$32</td>
<td>- - - $32 $58 1.8x $32 - $32</td>
<td>13% 13%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$135</td>
<td>$223</td>
<td>$17 $21 $38 $185 $393 1.9x $206 $17 $223</td>
<td>15% 15%</td>
</tr>
</tbody>
</table>

| TOTAL/WA:       | $297 bn          | $604 mm                  | $55 $56 $111 $493 $1,129 2.0 x $549 $69 $618 | 16% 17% |

1) Potential future lifetime cash flows, multiples and IRRs are forward-looking statements that are inherently uncertain, based on a number of factors beyond our control and may not be realized. See “Forward-Looking Statements” and “Cautionary Note Regarding Expected Returns and Expected Yields.”
2) Cost Basis represents initial investment amount less return of capital received to date.
3) $69 million change in fair value includes: $59 million recognized in 2Q 2013 and $10 million recognized in prior periods.
4) Amounts include deposits of $8 million for an Agency pool Settled Post 2Q’13 and $2 million for a non-Agency pool Settled Post 2Q’13 which were paid in January 2013.
5) Committed, but not yet settled, includes a portion of an investment which is subject to closing approvals. The actual investment amount and UPB will vary depending on the time of closing.
Excess MSR Pipeline

- New Residential remains an active buyer of compelling Excess MSR investments
  - Even with the implied move in rates, we still are pursuing a large pipeline of attractive investments
  - Large banks publicly indicated they will be seeking to make sales or transfers in the second half of the year
  - Small and mid-size mortgage originators may be seeking to replace shrinking gain-on-sale margins by selling MSRs

TOTAL PIPELINE (1)
$400 billion UPB

<table>
<thead>
<tr>
<th>Near-Term Exclusive Pipeline</th>
<th>$40 billion UPB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Dialogue Pipeline</td>
<td>$360 billion UPB</td>
</tr>
</tbody>
</table>

1) There can be no assurance that New Residential will be able to complete target investments. See “Forward-Looking Statements.”
Non-Agency RMBS – 2Q 2013 Overview

Portfolio Overview:
- 98 securities totaling $928 million current face (carrying value of $630 million) of seasoned non-Agency RMBS from $13 billion of deal balance
- Heavily concentrated in deals Nationstar (“NSM”) services and for which they own the call rights
- Strong positive trends in housing fundamentals and collateral performance

Performance Summary

<table>
<thead>
<tr>
<th>Vintage</th>
<th>Positions</th>
<th>Current Face ($mm)</th>
<th>% of Total</th>
<th>Deal Balance ($mm)</th>
<th>WAC</th>
<th>60+DQ</th>
<th>12 mth Perfect Pay</th>
<th>LTV</th>
<th>Call Right Control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre 2005</td>
<td>55</td>
<td>$115</td>
<td>12%</td>
<td>$2,409</td>
<td>5.97%</td>
<td>20.0%</td>
<td>65.7%</td>
<td>73%</td>
<td>100%</td>
</tr>
<tr>
<td>2005</td>
<td>9</td>
<td>$101</td>
<td>11%</td>
<td>$1,074</td>
<td>5.62%</td>
<td>29.8%</td>
<td>56.0%</td>
<td>98%</td>
<td>100%</td>
</tr>
<tr>
<td>2006</td>
<td>18</td>
<td>$487</td>
<td>52%</td>
<td>$4,328</td>
<td>4.86%</td>
<td>35.2%</td>
<td>53.2%</td>
<td>118%</td>
<td>88%</td>
</tr>
<tr>
<td>2007</td>
<td>16</td>
<td>$226</td>
<td>24%</td>
<td>$5,117</td>
<td>4.91%</td>
<td>35.4%</td>
<td>49.3%</td>
<td>127%</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>98</td>
<td>$928</td>
<td>100%</td>
<td>$12,929</td>
<td>5.08%</td>
<td>32.0%</td>
<td>54.1%</td>
<td>112%</td>
<td>94%</td>
</tr>
</tbody>
</table>

Collateral Trends

<table>
<thead>
<tr>
<th>(%)</th>
<th>2Q’12</th>
<th>2Q’13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRR</td>
<td>3.0</td>
<td>3.6</td>
<td>0.6</td>
</tr>
<tr>
<td>CDR</td>
<td>12.4</td>
<td>10.2</td>
<td>(2.2)</td>
</tr>
<tr>
<td>Loss Severity</td>
<td>71.0</td>
<td>63.4</td>
<td>(7.6)</td>
</tr>
<tr>
<td>60+ DQ</td>
<td>35.1</td>
<td>32.9</td>
<td>(2.2)</td>
</tr>
<tr>
<td>Current to 30+ DQ</td>
<td>2.5</td>
<td>2.0</td>
<td>(0.5)</td>
</tr>
</tbody>
</table>

Portfolio Composition

- Subprime: 19%
- ALT-A: 47%
- Option ARM: 34%
- Senior: 16%
- Seasoned Mezz: 84%

1) No delinquencies in past 12 months.
2) Call Right Control represents the percentage of UPB where Nationstar owns the call right; however, this does not indicate that the deal is callable at this time or will ever be callable in the future.
3) Based on portfolio as of June 30, 2013.
4) Based on current face held in portfolio.
Non-Agency RMBS – Performance

2Q 2013 Highlights:
- Purchased $180 million face for $140 million, or 77.8%
- Nationstar collapsed 4 deals – accelerating 24 point gain on NRZ held securities
- Fair value effectively unchanged versus 1Q 2013
- 76% of the portfolio is financed through a facility that is not subject to margin call provisions

LTD Highlights:
- $652 million initial investment for $1,005 million face
  - 7.2% unlevered yield, 14.6% levered yield
  - $65 million cash flow received to date
  - Portfolio valued at $630 million ($23 million unrealized gain)

Performance Summary

<table>
<thead>
<tr>
<th>Face at Purchase</th>
<th>Initial Investment</th>
<th>Return of Capital</th>
<th>Income</th>
<th>Total LTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,005 mm</td>
<td>$652 mm</td>
<td>$45</td>
<td>$20</td>
<td>$65</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current Face</th>
<th>Cost Basis</th>
<th>Potential Future Lifetime</th>
<th>Potential Lifetime Multiple</th>
<th>Carrying Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>$928</td>
<td>$607</td>
<td>$976</td>
<td>1.6x</td>
<td>$630</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash Flows ($mm)</th>
<th>Current Lifetime IRR</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,005 mm</td>
<td>Unlevered 7.2%</td>
</tr>
<tr>
<td>$652 mm</td>
<td>Levered 14.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sensitivity – Levered IRR(1, 2, 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Faster Prepayments (“CRR”)</strong></td>
</tr>
<tr>
<td>2% Base Case(4)</td>
</tr>
<tr>
<td>13.4%</td>
</tr>
<tr>
<td>14.6%</td>
</tr>
<tr>
<td>22.8%</td>
</tr>
<tr>
<td>34.6%</td>
</tr>
<tr>
<td><strong>Lower Defaults (“CDR”)</strong></td>
</tr>
<tr>
<td>10% Base Case(4)</td>
</tr>
<tr>
<td>14.2%</td>
</tr>
<tr>
<td>14.6%</td>
</tr>
<tr>
<td>17.2%</td>
</tr>
<tr>
<td>19.6%</td>
</tr>
<tr>
<td><strong>Lower Severities</strong></td>
</tr>
<tr>
<td>80% Base Case(4)</td>
</tr>
<tr>
<td>10.6%</td>
</tr>
<tr>
<td>14.6%</td>
</tr>
<tr>
<td>19.4%</td>
</tr>
<tr>
<td>27.6%</td>
</tr>
<tr>
<td><strong>Percentage of UPB Collapsed</strong></td>
</tr>
<tr>
<td>0% 20% 40% 60%</td>
</tr>
<tr>
<td>14.6% 16.6% 19.9% 23.5%</td>
</tr>
</tbody>
</table>

Value Drivers

1) Represents the current expected yield from the initial purchase through maturity. There can be no assurance that expected IRRs will be achieved. See “Forward-Looking Statements” and “Cautionary Note Regarding Expected Returns and Expected Yields.”
2) The amount of leverage incurred is subject to management’s discretion and market conditions, and there can be no assurance that any particular level of leverage will be incurred.
3) Leverage reflects $350 million one-year non-mark-to-market non-Agency RMBS repurchase agreement, which New Residential entered into on August 1, 2013, for 76% of the portfolio, with a rate of L+ 2.25% from Aug 2013 – October 2013 with three incremental step-ups to a maximum rate of L+3.50% ending August 2014. Assumes the remaining 24% of the portfolio is financed with short-term repurchase agreements at L + 1.75%. IRR assumes assets were leveraged from investment date.
4) Base Case estimates represent our lifetime levered expectations for the non-Agency RMBS.
Consumer Loan – Portfolio Overview

- In April, NRZ invested $241 million of equity to acquire 30% interest in a consumer loan portfolio from HSBC – $3.9 billion balance at acquisition\(^{(1)}\)
  - Average price of 75% of face value, or approximately $3.0 billion
  - Financed using $2.2 billion of debt and $0.8 billion equity
  - NRZ invested alongside Springleaf and another partner – Springleaf will be servicing the loans
  - Expect to complete the portfolio transfer by September 2013

Current Portfolio Summary

<table>
<thead>
<tr>
<th>Collateral</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial UPB: $3.9 bn(^{(1)})</td>
</tr>
<tr>
<td>Purchase Price: 75%(^{(2)})</td>
</tr>
<tr>
<td>Current UPB: $3.7 bn</td>
</tr>
<tr>
<td>WAC: 18.3%</td>
</tr>
<tr>
<td>Count: 394k</td>
</tr>
<tr>
<td>Avg. Balance: $9,500</td>
</tr>
<tr>
<td>Avg. Seasoning: 96 mths</td>
</tr>
<tr>
<td>Avg. Life: 3 years</td>
</tr>
<tr>
<td>Avg. FICO: 622</td>
</tr>
<tr>
<td>30+ DQ: 11.0%</td>
</tr>
</tbody>
</table>

Class A Notes\(^{(3)}\)

- $2.0 billion
- Coupon: 3.75%

Map of Collateral (% of Balance)

1) Represents UPB at time of settlement on April 1, 2013.
2) The average price of 75% is inclusive of a price adjustment to the settled collateral balance, which occurred subsequent to purchase.
3) Debt provides for up to 30% cash distribution, after senior interest costs, to subordinate interests based on certain tests. We expect these distributions to begin in 1Q 2014.
Consumer Loan – Performance

- Life-to-date cash proceeds of $284 million used to deleverage debt
  - Core earnings investment amount of $264 million – includes income generated to date(1)
- Continued favorable collateral performance
  - CDR of 11.4% in 2Q 2013 – performed 2.2 points better than 2Q 2012

### Invested Capital

<table>
<thead>
<tr>
<th>($mm)</th>
<th>Initial Balance (4/1)</th>
<th>Current Balance (6/30)</th>
<th>Initial Invested Capital</th>
<th>Cash Receipts(2)</th>
<th>Cash Basis</th>
<th>Core Earnings Investment Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset</td>
<td>3,936</td>
<td>3,694</td>
<td>2,967</td>
<td>284</td>
<td>2,663</td>
<td>--</td>
</tr>
<tr>
<td>Debt</td>
<td>2,200</td>
<td>1,958</td>
<td>2,175</td>
<td>280</td>
<td>1,895</td>
<td>--</td>
</tr>
<tr>
<td>Debt to Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity</td>
<td>1,736</td>
<td>1,736</td>
<td>802(3)</td>
<td>4</td>
<td>798</td>
<td>--</td>
</tr>
<tr>
<td>NRZ Equity</td>
<td>521</td>
<td>521</td>
<td>241</td>
<td>1</td>
<td>240</td>
<td>264(1)</td>
</tr>
</tbody>
</table>

### Collateral Performance(4)

<table>
<thead>
<tr>
<th></th>
<th>2Q 2011</th>
<th>2Q 2012</th>
<th>2Q 2013</th>
<th>LTD Projected</th>
<th>Lifetime Projected(5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRR</td>
<td>16.9%</td>
<td>16.9%</td>
<td>14.8%</td>
<td>14.0%</td>
<td>18.0%</td>
</tr>
<tr>
<td>CDR (Charge-Offs)</td>
<td>17.6%</td>
<td>13.6%</td>
<td>11.4%</td>
<td>15.0%</td>
<td>12.0%</td>
</tr>
<tr>
<td>Loss Severity</td>
<td>--</td>
<td>--</td>
<td>91.0%</td>
<td>86.0%</td>
<td>91.0%</td>
</tr>
<tr>
<td>Loss Rate(6)</td>
<td>--</td>
<td>--</td>
<td>10.4%</td>
<td>12.9%</td>
<td>10.9%</td>
</tr>
<tr>
<td>30+ DQ</td>
<td>14.1%</td>
<td>12.3%</td>
<td>10.7%</td>
<td>10.4%</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

1) $264 million represents our core earnings investment amount for the consumer loans as of June 30, 2013. It was calculated by subtracting the $36.2 million of GAAP income recognized from the consumer loans, on an inception to date basis, from their GAAP carrying value of $280.8 million, and adding back the $19.8 million of consumer loan income recognized within core earnings.
2) Cash receipts shown are related to collateral balance as of June 30, 2013, which includes cash received through August 2013.
3) Includes $10 million reserve fund.
4) Quarterly values are weighted averages across the period.
5) Projected performance may not be realized. See “Forward-Looking Statements” and “Cautionary Note Regarding Expected Returns and Expected Yields”.
6) Loss rate is CDR multiplied by loss severity.

**CDR outperforming LTD estimates by 3.6 points**
Consumer Loan – Performance Indicator

- Future performance of our consumer loan portfolio is expected to be influenced by:
  - Springleaf servicing – expected to start in September 2013
  - Macro environment – improved performance driven by better economic environment

**Charge-Offs Highly Correlated to Unemployment**

80% correlation between NRZ’s Consumer Loan Portfolio Charge-Off Rates and Unemployment

<table>
<thead>
<tr>
<th>Year</th>
<th>Unemployment (%)</th>
<th>Industry Charge-Offs</th>
<th>NRZ Consumer Charge-Offs</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>9.3</td>
<td>4.5%</td>
<td>19.7%</td>
<td>-19%</td>
</tr>
<tr>
<td>2011</td>
<td>8.5</td>
<td>2.4%</td>
<td>10.7%</td>
<td>-46%</td>
</tr>
<tr>
<td>2012</td>
<td>7.8</td>
<td>2.4%</td>
<td>10.7%</td>
<td>-46%</td>
</tr>
<tr>
<td>2013E</td>
<td>7.5</td>
<td>2.4%</td>
<td>10.7%</td>
<td>-46%</td>
</tr>
<tr>
<td>2014E</td>
<td>7.0</td>
<td>2.4%</td>
<td>10.7%</td>
<td>-46%</td>
</tr>
<tr>
<td>2015E</td>
<td>6.5</td>
<td>2.4%</td>
<td>10.7%</td>
<td>-46%</td>
</tr>
</tbody>
</table>

1) Source: Federal Reserve U.S. Charge Off rate for all consumer loans. Applies 3 month lag to charge off rates.
2) Source: Bloomberg composite median economist survey.
Consumer Loan – Potential Lifetime Value

- **Asset** – Invested $2.9 billion and expect to receive total cash flows of $4.3 billion\(^{(1)}\)
- **NRZ** – We invested $241 million and expect to receive total cash flows of $498 million (2.1x multiple)
- If IRR tightened to 10%, and base case CDR outperformed by 4 points, NRZ’s equity value would increase by $237 million

### Lifetime Base Case Underwriting Returns

<table>
<thead>
<tr>
<th>($mm)</th>
<th>Invested Capital</th>
<th>Total Cash Flow</th>
<th>Profit</th>
<th>Price</th>
<th>IRR(^{(2)})</th>
<th>Multiple</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset</td>
<td>2,967</td>
<td>4,315</td>
<td>1,347</td>
<td>75%</td>
<td>14%</td>
<td>1.5 x</td>
</tr>
<tr>
<td>Debt</td>
<td>2,175</td>
<td>2,564</td>
<td>389</td>
<td>99%</td>
<td>4%</td>
<td>1.2 x</td>
</tr>
<tr>
<td>Equity</td>
<td>802(^{(3)})</td>
<td>1,660</td>
<td>858</td>
<td>46%</td>
<td>29%</td>
<td>2.1 x</td>
</tr>
<tr>
<td>NRZ</td>
<td>241</td>
<td>498</td>
<td>257</td>
<td>46%</td>
<td>29%</td>
<td>2.1 x</td>
</tr>
</tbody>
</table>

### Assumptions\(^{(2)}\)

- CDR
- Loss Severity
- Loss Rate
- CRR
- Cumulative Default
- Cumulative Loss
- Performer Default\(^{(4)}\)

### Lifetime Sensitivities\(^{(1)}\)

<table>
<thead>
<tr>
<th>IRR</th>
<th>12% CDR (Base Case)</th>
<th>8% CDR</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NRZ Value</td>
<td>Change</td>
</tr>
<tr>
<td>10%</td>
<td>370</td>
<td>+129</td>
</tr>
<tr>
<td>15%</td>
<td>326</td>
<td>+85</td>
</tr>
<tr>
<td>20%</td>
<td>291</td>
<td>+50</td>
</tr>
<tr>
<td>25%</td>
<td>261</td>
<td>+21</td>
</tr>
<tr>
<td>29%</td>
<td>241</td>
<td>--</td>
</tr>
<tr>
<td>35%</td>
<td>237</td>
<td>-4</td>
</tr>
</tbody>
</table>

1) Assumes periodic refinance every 24 months to 60% debt to UPB and 40% cash flow leakage to equity and 4% cost of funds. Base case estimated returns are lifetime returns and sensitivities represent the initial purchase price at April 1, 2013 with estimates for sensitivities going forward.

2) Potential future IRRs are forward-looking statements that are inherently uncertain, based on a number of factors beyond our control and may not be realized. See “Forward-Looking Statements” and “Cautionary Note Regarding Expected Returns and Expected Yields.”

3) Includes $10 million reserve fund

4) Percentage of current loans expected to default
Agency ARM RMBS – 2Q 2013 Overview

- Portfolio is comprised of $1.1 billion face amount of hybrid (fixed to floating) and other adjustable rate mortgage securities (“ARMS”) (1)
- $55 million of equity (2): Carrying value of $1.12 billion financed with $1.06 billion of debt
- Generated $7.4 million of net cash flow (3)
- Value declined $6.3 million or 0.59 pts

<table>
<thead>
<tr>
<th>Months to Next Reset</th>
<th>Number of Securities</th>
<th>Current Face</th>
<th>Amortized Cost Basis (2)</th>
<th>% of Amortized Cost Basis</th>
<th>Carrying Value (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – 12</td>
<td>22</td>
<td>$178</td>
<td>$188</td>
<td>17%</td>
<td>$189</td>
</tr>
<tr>
<td>13 – 24</td>
<td>23</td>
<td>$352</td>
<td>$373</td>
<td>33%</td>
<td>$372</td>
</tr>
<tr>
<td>25 – 36</td>
<td>18</td>
<td>$457</td>
<td>$482</td>
<td>43%</td>
<td>$479</td>
</tr>
<tr>
<td>Over 36</td>
<td>3</td>
<td>$73</td>
<td>$77</td>
<td>7%</td>
<td>$76</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>66</strong></td>
<td><strong>$1,060</strong></td>
<td><strong>$1,120</strong></td>
<td><strong>100%</strong></td>
<td><strong>$1,116</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Security Information(WA)</th>
<th>2Q Value Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Coupon</strong></td>
<td>$ (mm)</td>
</tr>
<tr>
<td>2.59%</td>
<td>($0.03)</td>
</tr>
<tr>
<td>3.74%</td>
<td>($1.69)</td>
</tr>
<tr>
<td>3.29%</td>
<td>($3.37)</td>
</tr>
<tr>
<td>2.92%</td>
<td>($1.17)</td>
</tr>
<tr>
<td><strong>3.30%</strong></td>
<td><strong>($6.26)</strong></td>
</tr>
</tbody>
</table>

1) Reset index: 93% reset over 12 month-LIBOR, 3% reset over 6 month-LIBOR, 3% over 1 year Treasury Constant Maturity Rate, and 1% over 1 month-LIBOR.
2) Excludes $13.8 million of principal receivables as of June 30, 2013.
3) Cash flow represents $2.3 million from the first forty-five days of the quarter (pre-NRZ spin) and $5.1 million from the last forty-five days of the quarter (post-NRZ spin).
4) Represents the maximum change in the coupon at the end of the fixed rate period.
5) Represents the maximum change in the coupon at each reset date subsequent to the first coupon adjustment.
6) Represents the maximum coupon on the underlying security over its life.
7) Not applicable as 20 of the securities (96% of the current face of this category) are past the first coupon adjustment period. The remaining 2 securities (4% of the current face of this category) have a maximum change in the coupon of 5.0% at the end of the fixed rate period.
Appendix
Excess MSR Portfolios

Includes all Pools settled through 2Q 2013 except for Pool 11, the Taylor Bean & Whitaker pool, which was announced on May 23 and does not yet have performance data to present.
Pool 1: GSE – June 2013

- Received $25.3 million of cash flow, 58% of initial investment, over 18 months
- Updated IRR of 26%\(^{(1)}\) vs. 20% initial projection, $102.4 million of total cash flows, 2.3x our $43.6 million investment
  - 17% LTD CPR vs. 27% initial projection
  - 53% June recapture rate vs. 35% initial projection

<table>
<thead>
<tr>
<th>Collateral</th>
<th>Original Balance</th>
<th>Current Balance</th>
<th>WAC (%)</th>
<th>WAM (mths)</th>
<th>Loan Age (mths)</th>
<th>30+ DQ(^{(2)}) (%)</th>
<th>Uncollected Payments (%)(^{(2)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 1 – Original</td>
<td>$9,940</td>
<td>$6,549</td>
<td>5.7%</td>
<td>277</td>
<td>79</td>
<td>15.4%</td>
<td>10.1%</td>
</tr>
<tr>
<td>Pool 1 – Recapture</td>
<td>--</td>
<td>$1,014</td>
<td>4.3%</td>
<td>329</td>
<td>5</td>
<td>0.7%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Total / WA</td>
<td>$9,940</td>
<td>$7,563</td>
<td>5.5%</td>
<td>284</td>
<td>69</td>
<td>13.4%</td>
<td>8.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Performance Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>UPB ($mm)</td>
</tr>
<tr>
<td>------------</td>
</tr>
<tr>
<td>Original Pool:</td>
</tr>
<tr>
<td>$6,549</td>
</tr>
<tr>
<td>Recaptured Pool:</td>
</tr>
<tr>
<td>Total / WA</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>($mm)</td>
</tr>
<tr>
<td>Pool 1: GSE</td>
</tr>
</tbody>
</table>

---

1) Updated IRR is based on the cash flow received to date through June 2013 and the projected future cash flow based on our original underwriting assumptions.
2) 30+ DQ represents the percentage of loans that are delinquent by 30 days or more as of June 30, 2013. Uncollected payments represent the percentage of loans that missed their most recent payment and therefore we did not receive our excess fee.
3) The investment was completed in December 2011 and was based on the September 30, 2011 UPB of the pool. Our interest began accruing based on the November 1, 2011 UPB, which was paid in December. We receive the payment of our monthly excess fee in the following calendar month.
4) Projected cash flows assume: (a) 10% delinquency rate of which we assume 100% of borrowers have missed their most recent payment which implies a 10% uncollected payment rate, (b) weighted average lifetime CPR of 20% by applying the following vector: Months 1-3: 10%, Months 4-25: 30%, Months 25+: 15% and (c) 35% recapture rate. Recaptured loans assume: 35% recapture rate, 8% CPR, 21bps Excess MSR and the same delinquency and uncollected payment rates.
Pool 1: GSE – June 2013

- Since purchase, $2.6 billion of total voluntary prepayments – $1.0 billion of recapture to date

<table>
<thead>
<tr>
<th>Initial Pool Assumptions for Initial Pool</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPR (Average Lifetime): 20%</td>
<td>UPB ($mm) $9,940</td>
</tr>
<tr>
<td>CRR 15%</td>
<td>Count 63,834</td>
</tr>
<tr>
<td>CDR 5%</td>
<td>Avg Loan Amt $155,722</td>
</tr>
<tr>
<td>Uncollected Pmts 10%</td>
<td>Age (mths) 58</td>
</tr>
<tr>
<td>Recapture Rate 35%</td>
<td>WAC 6.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assumptions for Recaptured Pool</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPR (Average Lifetime): 8%</td>
</tr>
<tr>
<td>CRR 3%</td>
</tr>
<tr>
<td>CDR 5%</td>
</tr>
<tr>
<td>Uncollected Pmts 10%</td>
</tr>
<tr>
<td>Recapture Rate 35%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current Pool</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original</td>
</tr>
<tr>
<td>Recaptured</td>
</tr>
<tr>
<td>Total /WA</td>
</tr>
<tr>
<td>UPB ($mm)</td>
</tr>
<tr>
<td>Count</td>
</tr>
<tr>
<td>Avg Loan Amt</td>
</tr>
<tr>
<td>Age (mths)</td>
</tr>
<tr>
<td>WAC</td>
</tr>
<tr>
<td>Servicing Fee (bps)</td>
</tr>
<tr>
<td>CLTV</td>
</tr>
<tr>
<td>ARM</td>
</tr>
<tr>
<td>30+ DQ</td>
</tr>
<tr>
<td>Uncollected Pmts</td>
</tr>
</tbody>
</table>

1) Measured as of 9/30/2011.
2) Recaptured pool includes $177 million of loans that have not yet been securitized.
Pool 2: GSE – June 2013

- Received $14.0 million of cash flow, 33% of initial investment, over 12 months
- Updated IRR of 19%\(^{(1)}\) vs. 17% initial projection, $94.4 million of total cash flow, 2.2x our $42.3 million investment
  - 16% LTD CPR vs. 25% initial projection
  - 54% June recapture rate vs. 35% initial projection

<table>
<thead>
<tr>
<th>Collateral</th>
<th>($mm)</th>
<th>Original Balance</th>
<th>Current Balance</th>
<th>WAC (%)</th>
<th>WAM (mths)</th>
<th>Loan Age (mths)</th>
<th>30+ DQ(^{(2)}) (%)</th>
<th>Uncollected Payments (%)(^{(2)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 2 – Original</td>
<td>$10,384</td>
<td>$7,844</td>
<td>5.0%</td>
<td>317</td>
<td>69</td>
<td>21.3%</td>
<td>14.8%</td>
<td></td>
</tr>
<tr>
<td>Pool 2 – Recapture</td>
<td>--</td>
<td>$727</td>
<td>4.3%</td>
<td>331</td>
<td>3</td>
<td>0.2%</td>
<td>0.1%</td>
<td></td>
</tr>
<tr>
<td>Total / WA</td>
<td>$10,384</td>
<td>$8,570</td>
<td>4.8%</td>
<td>318</td>
<td>63</td>
<td>19.5%</td>
<td>13.6%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Performance Update</th>
<th>UPB ($mm)</th>
<th>Cash Flows ($mm)</th>
<th>CRR</th>
<th>CDR</th>
<th>CPR</th>
<th>Recapture Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jun</td>
<td>Jun</td>
<td>Q2</td>
<td>LTD</td>
<td>Jun</td>
<td>Q2</td>
</tr>
<tr>
<td>Original Pool:</td>
<td>$7,844</td>
<td>$1.0</td>
<td>$3.2</td>
<td>$13.9</td>
<td>23%</td>
<td>26%</td>
</tr>
<tr>
<td>Recaptured Pool:</td>
<td>$727</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.1</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Total / WA</td>
<td>$8,570</td>
<td>$1.0</td>
<td>$3.2</td>
<td>$14.0</td>
<td>21%</td>
<td>25%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment Performance</th>
<th>(smmm)</th>
<th>Acquisition Date</th>
<th>Fee (bps)</th>
<th>% Ownership</th>
<th>Initial Investment</th>
<th>LTD Cash Flow</th>
<th>Cash Basis</th>
<th>Carrying Value</th>
<th>Proj. Future Cash Flows (^{(4)})</th>
<th>Initial Expected IRR</th>
<th>Updated IRR(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 2: GSE(^{(3)})</td>
<td>12-Jun</td>
<td>23</td>
<td>65%</td>
<td>$42.3</td>
<td>$14.0</td>
<td>$28.3</td>
<td>$43.9</td>
<td>$80.4</td>
<td>17%</td>
<td>19%</td>
<td></td>
</tr>
</tbody>
</table>

1) Updated IRR is based on the cash flow received to date through June 2013 and the projected future cash flow based on our original underwriting assumptions.
2) 30+ DQ represents the percentage of loans that are delinquent by 30 days or more as of June 30, 2013. Uncollected payments represent the percentage of loans that missed their most recent payment and therefore we did not receive our excess fee.
3) The investment was completed in June 2012 and was based on the April 30, 2012 UPB of the pool. Our interest began accruing based on the June 1, 2012 UPB which was paid in July 2012. We receive the payment of our monthly excess fee in the following calendar month.
4) Projected cash flows assume: (a) 16.7% delinquency rate of which we assume 66% of borrowers have missed their most recent payment which implies a 11% uncollected payment rate, (b) weighted average lifetime CPR of 18% by applying the following vector: Months 1-19: 25%, Months 20+: 15% and (c) 35% recapture rate starting in Oct 2012. Recaptured loans assume: 35% recapture rate, 8% CPR, 21bps Excess MSR and 10% uncollected payment rate.
Pool 2: GSE – June 2013

- Since purchase, $1.7 billion of total voluntary prepayments – $0.7 billion million of recapture to date

### Initial Pool

<table>
<thead>
<tr>
<th>Assumptions for Initial Pool</th>
<th>Pool</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPR (Average Lifetime): 18%</td>
<td>UPB ($mm) $10,384</td>
</tr>
<tr>
<td>CRR 12%</td>
<td>Count 51,887</td>
</tr>
<tr>
<td>CDR 6%</td>
<td>Avg Loan Amt $200,125</td>
</tr>
<tr>
<td>Uncollected Pmts 11%</td>
<td>Age (mths) 54</td>
</tr>
<tr>
<td>Recapture Rate 35%</td>
<td>WAC 5.30%</td>
</tr>
<tr>
<td></td>
<td>MSR 31.4</td>
</tr>
</tbody>
</table>

### Assumptions for Recaptured Pool

<table>
<thead>
<tr>
<th>Assumptions for Recaptured Pool</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPR (Average Lifetime): 8%</td>
</tr>
<tr>
<td>CRR 5%</td>
</tr>
<tr>
<td>CDR 3%</td>
</tr>
<tr>
<td>Uncollected Pmts 10%</td>
</tr>
<tr>
<td>Recapture Rate 35%</td>
</tr>
</tbody>
</table>

### Current Pool

<table>
<thead>
<tr>
<th>Original</th>
<th>Recaptured</th>
<th>Total /WA</th>
</tr>
</thead>
<tbody>
<tr>
<td>UPB ($mm)</td>
<td>$7,844</td>
<td>$727</td>
</tr>
<tr>
<td>Count</td>
<td>40,966</td>
<td>3,685</td>
</tr>
<tr>
<td>Avg Loan Amt</td>
<td>$191,466</td>
<td>$197,231</td>
</tr>
<tr>
<td>Age (mths)</td>
<td>69</td>
<td>3</td>
</tr>
<tr>
<td>WAC</td>
<td>5.0%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Servicing Fee (bps)</td>
<td>31</td>
<td>25</td>
</tr>
<tr>
<td>FICO</td>
<td>672</td>
<td>750</td>
</tr>
<tr>
<td>CLTV</td>
<td>101%</td>
<td>118%</td>
</tr>
<tr>
<td>ARM</td>
<td>10.9%</td>
<td>0.0%</td>
</tr>
<tr>
<td>30+ DQ</td>
<td>22.8%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Uncollected Pmts</td>
<td>14.8%</td>
<td>0.1%</td>
</tr>
</tbody>
</table>

### Original Pool: CPR

- Projected Vector - Mth 1 - 19: 25%; Mth 20+: 15%

### Recaptured Loans: CPR

- Projected Vector – Mth 1-4: 0%; Mth 5+: 8%

### Recapture Rate

- Projected - Mth 1-4: 0%; Mth 5+: 35%

---

1) Measured as of 4/30/12.
2) Recaptured pool includes $162 million of loans that have not yet been securitized.
Pool 3: GSE – June 2013

- Received $13.4 million of cash flow, 37% of initial investment, over 12 months
- Updated IRR of 22%\(^1\) vs. 18% initial projection, $82.2 million of total cash flow, 2.3x our $36.2 million investment
  - 15% LTD CPR vs. 25% initial projection
  - 39% June recapture rate vs. 35% initial projection

### Collateral

<table>
<thead>
<tr>
<th>($mm)</th>
<th>Original Balance</th>
<th>Current Balance</th>
<th>WAC (%)</th>
<th>WAM (mths)</th>
<th>Loan Age (mths)</th>
<th>30+ DQ(^2) (%)</th>
<th>Uncollected Payments (%)(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 3 – Original</td>
<td>$9,844</td>
<td>$8,040</td>
<td>4.3%</td>
<td>287</td>
<td>92</td>
<td>18.4%</td>
<td>13.6%</td>
</tr>
<tr>
<td>Pool 3 – Recapture</td>
<td>--</td>
<td>$341</td>
<td>4.1%</td>
<td>329</td>
<td>2</td>
<td>0.2%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Total / WA</td>
<td>$9,844</td>
<td>$8,381</td>
<td>4.3%</td>
<td>289</td>
<td>88</td>
<td>17.7%</td>
<td>13.1%</td>
</tr>
</tbody>
</table>

### Performance Update

<table>
<thead>
<tr>
<th>UPB ($mm)</th>
<th>Cash Flows ($mm)</th>
<th>CRR</th>
<th>CDR</th>
<th>CPR</th>
<th>Recapture Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jun</td>
<td>Jun</td>
<td>Q2</td>
<td>LTD</td>
<td>Jun</td>
</tr>
<tr>
<td>Original Pool:</td>
<td>$8,040</td>
<td>$0.9</td>
<td>$3.1</td>
<td>$13.3</td>
<td>18%</td>
</tr>
<tr>
<td>Recaptured Pool:</td>
<td>$341</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.1</td>
<td>1%</td>
</tr>
<tr>
<td>Total / WA</td>
<td>$8,381</td>
<td>$1.0</td>
<td>$3.1</td>
<td>$13.4</td>
<td>17%</td>
</tr>
</tbody>
</table>

### Investment Performance

| ($mm) | Acquisition Date | Fee (bps) | % Ownership | Initial Investment | LTD Cash Flow | Cash Basis | Carrying Value | Proj. Future Cash Flows \(^6\) | Initial Expected IRR | Updated IRR\(^3\) |
|-------|------------------|-----------|--------------|-------------------|---------------|------------|----------------|-----------------------------|-------------------|----------------|---|
| Pool 3: GSE\(^3\) | 12-Jun        | 23        | 65%          | $36.2             | $13.4         | $22.8      | $38.9          | $68.8                       | 18%               | 22%          |---|

---

1) Updated IRR is based on the cash flow received to date through June 2013 and the projected future cash flow based on our original underwriting assumptions.
2) 30+ DQ represents the percentage of loans that are delinquent by 30 days or more as of June 30, 2013. Uncollected payments represent the percentage of loans that missed their most recent payment and therefore we did not receive our excess fee.
3) The investment was completed in June 2012 and was based on the May 31, 2012 UPB of the pool. Our interest began accruing based on the June 1, 2012 UPB, which was paid in July. We receive the payment of our monthly excess fee in the following calendar month.
4) Projected cash flows assume: (a) 18% delinquency rate of which we assume 66% of borrowers have missed their most recent payment which implies a 12% uncollected payment rate, (b) weighted average lifetime CPR of 18% by applying the following vector: Months 1-19: 25%, Months 20+: 15% and (c) 35% recapture rate. Recaptured loans assume: 35% recapture rate starting in Sep 2012, 8% CPR, 21bps Excess MSR, 15% delinquency rate and 10% uncollected payment rate.
Pool 3: GSE – June 2013

Since purchase, $1.2 billion of total voluntary prepayments – $0.3 billion of recapture to date

### Initial Pool

<table>
<thead>
<tr>
<th>Collateral Date</th>
<th>5/31/2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Date</td>
<td>6/13/2012</td>
</tr>
<tr>
<td>Price</td>
<td>56.6 bps</td>
</tr>
<tr>
<td>Invested ($mm)</td>
<td>$36.20</td>
</tr>
<tr>
<td>Total CF ($mm)</td>
<td>$74.70</td>
</tr>
<tr>
<td>Expected IRR</td>
<td>17.60%</td>
</tr>
</tbody>
</table>

#### Assumptions for Initial Pool

- **CPR (Average Lifetime):** 18%
- **CRR** 12%
- **CDR** 6%
- **Uncollected Pmts** 12%
- **Recapture Rate** 35%

#### Pool

- **UPB ($mm):** $9,844
- **Count:** 59,645
- **Avg Loan Amt:** $165,045
- **Age (mths):** 69
- **WAC:** 4.70%
- **MSR:** 32.1
- **FICO:** 690
- **CLTV:** 90.60%
- **ARM:** 36.30%
- **30+ DQ:** 17.60%
- **Uncollected Pmts:** 12.00%

### Current Pool

<table>
<thead>
<tr>
<th>Original</th>
<th>Recaptured</th>
<th>Total /WA</th>
</tr>
</thead>
<tbody>
<tr>
<td>UPB ($mm)</td>
<td>$8,040</td>
<td>$341</td>
</tr>
<tr>
<td>Count</td>
<td>49,890</td>
<td>2,080</td>
</tr>
<tr>
<td>Avg Loan Amt</td>
<td>$161,145</td>
<td>$163,951</td>
</tr>
<tr>
<td>Age (mths)</td>
<td>92</td>
<td>2</td>
</tr>
<tr>
<td>WAC</td>
<td>4.3%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Servicing Fee</td>
<td>32 bps</td>
<td>25 bps</td>
</tr>
<tr>
<td>FICO</td>
<td>677</td>
<td>733</td>
</tr>
<tr>
<td>CLTV</td>
<td>86%</td>
<td>90%</td>
</tr>
<tr>
<td>ARM</td>
<td>39.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>30+ DQ</td>
<td>18.4%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Uncollected Pmts</td>
<td>13.6%</td>
<td>0.2%</td>
</tr>
</tbody>
</table>

#### Assumptions for Recaptured Pool

- **CPR (Average Lifetime):** 8%
- **CRR** 5%
- **CDR** 3%
- **Uncollected Pmts** 10%
- **Recapture Rate** 35%

#### Recaptured Loans: CPR

- **Projected Vector - Mth 1-3: 0%; Mth 4+: 8%**
- **Projected Vector - Mth 1-3: 0%; Mth 4+: 8%**
- **Projected Vector - Mth 1-3: 0%; Mth 4+: 8%**

### Recapture Rate

- **Projected - Mth 1-3: 0%; Mth 4+ : 35%**

---

1) Measured as of 5/31/12.
2) Recaptured pool includes $120 million of loans that have not yet been securitized.
Pool 4: GSE – June 2013

- Received $5.2 million of cash flow, 34% of initial investment, over 12 months
- Updated IRR of 21%\(^{(1)}\) vs. 18% initial projection, $35.4 million of total cash flow, 2.3x our $15.4 million investment
  - 13% LTD CPR vs. 23% initial projection
  - 40% June recapture rate vs. 35% initial projection

### Collateral

<table>
<thead>
<tr>
<th>($mm)</th>
<th>Original Balance</th>
<th>Current Balance</th>
<th>WAC (%)</th>
<th>WAM (mths)</th>
<th>Loan Age (mths)</th>
<th>30+ DQ(^{(2)}) (%)</th>
<th>Uncollected Payments (%)(^{(2)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 4 – Original</td>
<td>$6,251</td>
<td>$5,286</td>
<td>3.5%</td>
<td>309</td>
<td>83</td>
<td>21.4%</td>
<td>17.0%</td>
</tr>
<tr>
<td>Pool 4 – Recapture</td>
<td>--</td>
<td>$95</td>
<td>4.2%</td>
<td>340</td>
<td>3</td>
<td>0.4%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total / WA</td>
<td>$6,251</td>
<td>$5,381</td>
<td>3.5%</td>
<td>309</td>
<td>82</td>
<td>21.0%</td>
<td>16.7%</td>
</tr>
</tbody>
</table>

### Performance Update

<table>
<thead>
<tr>
<th>UPB ($mm)</th>
<th>Original Pool:</th>
<th>Recaptured Pool:</th>
<th>Total / WA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun</td>
<td>Jun</td>
<td>Q2</td>
<td>LTD</td>
</tr>
<tr>
<td>$5,286</td>
<td>$0.4</td>
<td>$1.3</td>
<td>$5.2</td>
</tr>
<tr>
<td>$95</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
</tr>
<tr>
<td>$5,381</td>
<td>$0.4</td>
<td>$1.4</td>
<td>$5.2</td>
</tr>
</tbody>
</table>

### Investment Performance

<table>
<thead>
<tr>
<th>($mm)</th>
<th>Acquisition Date</th>
<th>Fee (bps)</th>
<th>% Ownership</th>
<th>Initial Investment</th>
<th>LTD Cash Flow</th>
<th>Cash Basis</th>
<th>Carrying Value</th>
<th>Proj. Future Cash Flows (^{(4)})</th>
<th>Initial Expected IRR</th>
<th>Updated IRR(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 4: GSE(^{(3)})</td>
<td>12-Jun</td>
<td>17</td>
<td>65%</td>
<td>$15.4</td>
<td>$5.2</td>
<td>$10.2</td>
<td>$16.7</td>
<td>$30.3</td>
<td>18%</td>
<td>21%</td>
</tr>
</tbody>
</table>

1) Updated IRR is based on the cash flow received to date through June 2013 and the projected future cash flow based on our original underwriting assumptions.
2) 30+ DQ represents the percentage of loans that are delinquent by 30 days or more as of June 30, 2013. Uncollected payments represent the percentage of loans that missed their most recent payment and therefore we did not receive our excess fee.
3) The investment was completed in June 2012 and was based on the May 31, 2012 UPB of the pool. Our interest began accruing based on the June 1, 2012 UPB, which was paid in July. We receive the payment of our monthly excess fee in the following calendar month.
4) Projected cash flows assume: (a) 24% delinquency rate of which we assume 66% of borrowers have missed their most recent payment which implies a 16% uncollected payment rate, (b) weighted average lifetime CPR of 19% by applying the following vector: Months 1-19: 23%, Months 20+: 18% and (c) 35% recapture rate. Recaptured loans assume: 35% recapture rate starting in Sep 2012, 8% CPR, 21bps Excess MSR, 15% delinquency rate and 10% uncollected payment rate.
Pool 4: GSE – June 2013

Since purchase, $0.3 billion of total voluntary prepayments – $0.1 billion of recapture to date

### Initial Pool

<table>
<thead>
<tr>
<th>Assumptions for Initial Pool</th>
<th>Pool</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CPR (Average Lifetime):</strong> 19%</td>
<td><strong>UPB ($mm):</strong> $6,251</td>
</tr>
<tr>
<td><strong>CRR:</strong> 11%</td>
<td><strong>Count:</strong> 30,584</td>
</tr>
<tr>
<td><strong>CDR:</strong> 8%</td>
<td><strong>Avg Loan Amt:</strong> $204,373</td>
</tr>
<tr>
<td><strong>Uncollected Pmts:</strong> 16%</td>
<td><strong>Age (mths):</strong> 61</td>
</tr>
<tr>
<td><strong>Recapture Rate:</strong> 35%</td>
<td><strong>WAC:</strong> 4.00%</td>
</tr>
</tbody>
</table>

### Assumptions for Recaptured Pool

| **CPR (Average Lifetime):** 8% | **UPB ($mm):** $5,286 |
| **CRR:** 5% | **Count:** 26,393 |
| **CDR:** 3% | **Avg Loan Amt:** $200,292 |
| **Uncollected Pmts:** 10% | **Age (mths):** 83 |
| **Recapture Rate:** 35% | **WAC:** 3.5% |

### Current Pool

<table>
<thead>
<tr>
<th>Original</th>
<th>Recaptured</th>
<th>Total /WA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UPB ($mm):</strong></td>
<td>$5,286</td>
<td>$95</td>
</tr>
<tr>
<td><strong>Count:</strong></td>
<td>26,393</td>
<td>484</td>
</tr>
<tr>
<td><strong>Avg Loan Amt:</strong></td>
<td>$200,292</td>
<td>$195,898</td>
</tr>
<tr>
<td><strong>Age (mths):</strong></td>
<td>83</td>
<td>3</td>
</tr>
<tr>
<td><strong>WAC:</strong></td>
<td>3.5%</td>
<td>4.2%</td>
</tr>
<tr>
<td><strong>MSR:</strong></td>
<td>26 bps</td>
<td>25 bps</td>
</tr>
<tr>
<td><strong>FICO:</strong></td>
<td>675</td>
<td>752</td>
</tr>
<tr>
<td><strong>CLTV:</strong></td>
<td>113%</td>
<td>113%</td>
</tr>
<tr>
<td><strong>ARM:</strong></td>
<td>58.2%</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>30+ DQ:</strong></td>
<td>21.4%</td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>Uncollected Pmts:</strong></td>
<td>17.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

### Original Pool: CPR

**Projected Vector - Mth 1 - 19: 23%; Mth 20+: 18%**

### Recaptured Loans: CPR

**Projected Vector – Mth 1-3: 0%; Mth 4+: 8%**

### Recapture Rate

**Projected - Mth 1-3: 0%; Mth 4+: 35%**

1) Measured as of 5/31/12.
2) Recaptured pool includes $22 million of loans that have not yet been securitized.
Pool 5: PLS – June 2013

- Received $38.2 million of cash flow, 31% of initial investment, over 12 months
- Updated IRR of 18%\(^{(1)}\) vs. 17% initial projection, $252.8 million of total cash flow, 2.0x our $124.8 million investment
  - 14% LTD CPR vs. 15% initial projection

### Collateral

<table>
<thead>
<tr>
<th></th>
<th>Original Balance</th>
<th>Current Balance</th>
<th>WAC (%)</th>
<th>WAM (mths)</th>
<th>Loan Age (mths)</th>
<th>30+ DQ(^{(2)}) (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 5 – Original</td>
<td>$47,573</td>
<td>$39,968</td>
<td>4.5%</td>
<td>290</td>
<td>88</td>
<td>36.5%</td>
</tr>
<tr>
<td>Pool 5 – Recapture</td>
<td>--</td>
<td>$21</td>
<td>3.6%</td>
<td>334</td>
<td>4</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total / WA</td>
<td>$47,573</td>
<td>$39,989</td>
<td>4.5%</td>
<td>290</td>
<td>88</td>
<td>36.4%</td>
</tr>
</tbody>
</table>

### Performance Update

<table>
<thead>
<tr>
<th></th>
<th>UPB ($mm)</th>
<th>Cash Flows ($mm)</th>
<th>CRR</th>
<th>CDR</th>
<th>CPR</th>
<th>Recapture Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jun</td>
<td>Jun Q2 LTD Jun Q2 LTD Jun Q2 LTD Jun Q2 LTD Jun Q2 LTD Jun Q2 LTD Jun Q2 LTD</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Original Pool:</td>
<td>$39,968</td>
<td>$2.9 $8.9 $38.2</td>
<td>6%</td>
<td>6%</td>
<td>5%</td>
<td>9% 10% 9% 15% 16% 14% 1% 0% 1%</td>
</tr>
<tr>
<td>Recaptured Pool:</td>
<td>$21</td>
<td>$0 $0 $0 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0% 0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total / WA</td>
<td>$39,987</td>
<td>$2.9 $8.9 $38.2</td>
<td>6%</td>
<td>6%</td>
<td>5%</td>
<td>9% 10% 9% 15% 16% 14% 1% 0% 1%</td>
</tr>
</tbody>
</table>

### Investment Performance

<table>
<thead>
<tr>
<th></th>
<th>Acquisition Date</th>
<th>Fee (bps)</th>
<th>% Ownership</th>
<th>Initial Investment</th>
<th>LTD Cash Flow</th>
<th>Cash Basis</th>
<th>Carrying Value</th>
<th>Proj. Future Cash Flows (^{(4)})</th>
<th>Initial Expected IRR</th>
<th>Updated IRR(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 5: PLS(^{(3)})</td>
<td>12-Jun</td>
<td>15</td>
<td>65%</td>
<td>$124.8</td>
<td>$38.2</td>
<td>$86.6</td>
<td>$125.0</td>
<td>$214.6</td>
<td>17%</td>
<td>18%</td>
</tr>
</tbody>
</table>

1) Updated IRR is based on the cash flow received to date through June 2013 and the projected future cash flow based on our updated underwriting assumptions (see footnote 4 below).
2) 30+ DQ represents the percentage of loans that are delinquent by 30 days or more June 30, 2013. The excess MSR will be paid on the total UPB of the pool (including both performing and delinquent loans until REO).
3) The investment was completed in June 2012 and was based on the May 31, 2012 UPB of the pool. Our interest began accruing based on the June 1, 2012 UPB. We receive the payment of our monthly excess fee in the following calendar month.
4) Projected cash flows assume: (a) CPR of 12% and (b) 13% recapture rate. Recaptured loans assume: 15% recapture rate, 8% CPR, 21bps Excess MSR.
Since purchase, $2.2 billion of total voluntary prepayments – $19 million recapture to date

### Initial Pool

- **Collateral Date**: 5/31/2012
- **Purchase Date**: 6/27/2012
- **Price**: 40.4 bps
- **Invested ($mm)**: $124.80
- **Total CF ($mm)**: $247.20
- **Expected IRR**: 17.50%

#### Assumptions for Initial Pool

- **CPR (Average Lifetime)**: 13%
- **CRR**: 4%
- **CDR**: 9%
- **Recapture Rate**: 15%

#### Assumptions for Recaptured Pool

- **CPR (Average Lifetime)**: 10%
- **CRR**: 5%
- **CDR**: 5%
- **Recapture Rate**: 15%

### Current Pool

- **UpB ($mm)**: $47,573
- **Count**: 198,586
- **Avg Loan Amt**: $239,558
- **WAC**: 4.90%
- **MSR**: 32 bps
- **FICO**: 659
- **CLTV**: 124%
- **ARM**: 56.10%
- **30+ DQ**: 34.70%

#### Current Pool: CPR

- **Original Pool**: CPR
- **Recaptured Loans**: CPR
- **Recapture Rate**

1) Measured as of 5/31/12.
2) Recaptured pool includes $19 million of loans that have not yet been securitized.
**Pool 6: Govt. – June 2013**

- Received $4.1 million of cash flow, 15% of initial investment, over 6 months
- Updated IRR of 16%(1) vs. 16% initial projection, $56.2 million of total cash flow, 2.1x our $27.3 million investment
  - 25% LTD CPR vs. 30% initial projection
  - 21% June recapture rate vs. 35% initial projection

**Collateral**

<table>
<thead>
<tr>
<th>($mm)</th>
<th>Original Balance</th>
<th>Current Balance</th>
<th>WAC (%)</th>
<th>WAM (mths)</th>
<th>Loan Age (mths)</th>
<th>30+ DQ(2) (%)</th>
<th>Uncollected Payments (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 6 – Original</td>
<td>$12,987</td>
<td>$10,800</td>
<td>5.6%</td>
<td>307</td>
<td>52</td>
<td>18.2%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Pool 6 – Recapture</td>
<td>--</td>
<td>$349</td>
<td>3.5%</td>
<td>357</td>
<td>1</td>
<td>0.2%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total / WA</td>
<td>$12,987</td>
<td>$11,149</td>
<td>5.5%</td>
<td>308</td>
<td>51</td>
<td>18.4%</td>
<td>12.2%</td>
</tr>
</tbody>
</table>

**Performance Update**

<table>
<thead>
<tr>
<th>UPB ($mm)</th>
<th>Cash Flows ($mm)</th>
<th>CRR</th>
<th>CDR</th>
<th>CPR</th>
<th>Recapture Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun</td>
<td>Jun</td>
<td>Q2</td>
<td>LTD</td>
<td>Jun</td>
<td>Q2</td>
</tr>
<tr>
<td>Original Pool:</td>
<td>$10,800</td>
<td>$0.7</td>
<td>$2.1</td>
<td>$4.1</td>
<td>22%</td>
</tr>
<tr>
<td>Recaptured Pool:</td>
<td>$349</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
<td>0%</td>
</tr>
<tr>
<td>Total / WA</td>
<td>$11,149</td>
<td>$0.7</td>
<td>$2.1</td>
<td>$4.1</td>
<td>22%</td>
</tr>
</tbody>
</table>

**Investment Performance**

<table>
<thead>
<tr>
<th>($mm)</th>
<th>Acquisition Date</th>
<th>Fee (bps)</th>
<th>% Ownership</th>
<th>Initial Investment</th>
<th>LTD Cash Flow</th>
<th>Cash Basis</th>
<th>Carrying Value</th>
<th>Proj. Future Cash Flows (4)</th>
<th>Initial Expected IRR</th>
<th>Updated IRR(3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 6: Govt.</td>
<td>13-Jan</td>
<td>25</td>
<td>33%</td>
<td>$27.3</td>
<td>$4.1</td>
<td>$23.2</td>
<td>$28.7</td>
<td>$52.2</td>
<td>16%</td>
<td>16%</td>
</tr>
</tbody>
</table>

---

1) Updated IRR is based on the cash flow received to date through June 2013 and the projected future cash flow based on our original underwriting assumptions.
2) 30+ DQ represents the percentage of loans that are delinquent by 30 days or more as of June 30, 2013. Uncollected payments represent the percentage of loans that missed their most recent payment and therefore we did not receive our excess fee.
3) The investment was completed in January 2013 and was based on the November 30, 2012 UPB of the pool. Our interest began accruing based on the December 1, 2012 UPB. We receive the payment of our monthly excess fee in the following calendar month.
4) Projected cash flows assume: (a) 16% delinquency rate of which we assume 66% of borrowers have missed their most recent payment which implies a 11% uncollected payment rate, (b) weighted average lifetime CPR of 20% by applying the following vector: Months 1-24: 30%, Months 25+: 15% and (c) 35% recapture rate. Recaptured loans assume: 35% recapture rate starting in February 2013, 10% CPR, 25bps Excess MSR, 9% delinquency rate and 6% uncollected payment rate.
Pool 6: Govt. – June 2013

Since purchase, $1.7 billion of total voluntary prepayments – $0.3 billion recapture to date

### Initial Pool

<table>
<thead>
<tr>
<th>Assumptions for Initial Pool</th>
<th>Pool</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPR (Average Lifetime):</td>
<td>20%</td>
</tr>
<tr>
<td>CRR</td>
<td>17%</td>
</tr>
<tr>
<td>CDR</td>
<td>3%</td>
</tr>
<tr>
<td>Uncollected Pmts</td>
<td>11%</td>
</tr>
<tr>
<td>Recapture Rate</td>
<td>35%</td>
</tr>
<tr>
<td>UPB ($mm)</td>
<td>$12,987</td>
</tr>
<tr>
<td>Count</td>
<td>87,207</td>
</tr>
<tr>
<td>Avg Loan Amt</td>
<td>$148,924</td>
</tr>
<tr>
<td>Age (mths)</td>
<td>43</td>
</tr>
<tr>
<td>WAC</td>
<td>5.6%</td>
</tr>
<tr>
<td>MSR</td>
<td>40.4</td>
</tr>
<tr>
<td>FICO(1)</td>
<td>674</td>
</tr>
<tr>
<td>CLTV</td>
<td>101%</td>
</tr>
<tr>
<td>ARM</td>
<td>16.4%</td>
</tr>
<tr>
<td>30+ DQ</td>
<td>10.9%</td>
</tr>
<tr>
<td>Uncollected Pmts</td>
<td>10.9%</td>
</tr>
</tbody>
</table>

### Current Pool

<table>
<thead>
<tr>
<th>Assumptions for Recaptured Pool</th>
<th>Original Pool</th>
<th>Recaptured(2)</th>
<th>Total /WA</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPR (Average Lifetime):</td>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CRR</td>
<td>8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CDR</td>
<td>2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncollected Pmts</td>
<td>6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recapture Rate</td>
<td>35%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assumptions for Recaptured Pool</th>
<th>Original Pool</th>
<th>Recaptured(2)</th>
<th>Total /WA</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPR (Average Lifetime):</td>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CRR</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>CDR</td>
<td>2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncollected Pmts</td>
<td>6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recapture Rate</td>
<td>35%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Original Pool: CPR

Projected Vector - Mth 1 - 24: 30%; Mth 25+: 15%

### Recaptured Loans: CPR

Projected Vector – Mth 1: 0%; Mth 3+: 10%

### Recapture Rate

Projected - Mth 1-2: 0%; Mth 3: 17%; Mth 4+: 35%

1) Measured as of 11/30/12.
2) Recaptured pool includes $34 million of loans that have not yet been securitized.
### Pool 7: GSE – June 2013

- Received $6.7 million of cash flow, 9% of initial investment, over 6 months
- Updated IRR of 14%(1) vs. 16% initial projection, $137.3 million of total cash flow, 2.0x our $67.3 million investment
  - 16% LTD CPR vs. 19% initial projection
  - 24% June recapture rate vs. 35% initial projection

### Collateral(2)

<table>
<thead>
<tr>
<th>($) (mm)</th>
<th>Original Balance</th>
<th>Current Balance</th>
<th>WAC (%)</th>
<th>WAM (mths)</th>
<th>Loan Age (mths)</th>
<th>30+ DQ(3) (%)</th>
<th>Uncollected Payments (%) (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 7 – Original</td>
<td>$37,965</td>
<td>$31,999</td>
<td>5.1%</td>
<td>282</td>
<td>83</td>
<td>16.1%</td>
<td>12.5%</td>
</tr>
<tr>
<td>Pool 7 – Recapture</td>
<td>--</td>
<td>$237</td>
<td>4.3%</td>
<td>325</td>
<td>1</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total / WA</td>
<td>$37,965</td>
<td>$32,236</td>
<td>5.1%</td>
<td>282</td>
<td>83</td>
<td>16.0%</td>
<td>12.4%</td>
</tr>
</tbody>
</table>

### Performance Update

<table>
<thead>
<tr>
<th>UPB ($mm)</th>
<th>Cash Flows ($mm)</th>
<th>CRR</th>
<th>CDR</th>
<th>CPR</th>
<th>Recapture Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Pool:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jun</td>
<td>Jun</td>
<td>Q2</td>
<td>LTD</td>
<td>Jun</td>
<td>Q2</td>
</tr>
<tr>
<td>$31,999</td>
<td>$2.17</td>
<td>$4.42</td>
<td>$6.66</td>
<td>22%</td>
<td>12%</td>
</tr>
<tr>
<td>Recaptured Pool:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$237</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Total / WA</td>
<td>$32,236</td>
<td>$2.17</td>
<td>$4.42</td>
<td>$6.66</td>
<td>22%</td>
</tr>
</tbody>
</table>

### Investment Performance

<table>
<thead>
<tr>
<th>($) (mm)</th>
<th>Acquisition Date</th>
<th>Fee (bps)</th>
<th>% Ownership</th>
<th>Initial Investment</th>
<th>LTD Cash Flow</th>
<th>Cash Basis</th>
<th>Carrying Value</th>
<th>Proj. Future Cash Flows (5)</th>
<th>Initial Expected IRR</th>
<th>Updated IRR(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 7: GSE(4)</td>
<td>13-Jan</td>
<td>16</td>
<td>33%</td>
<td>$67.3</td>
<td>$6.7</td>
<td>$60.6</td>
<td>$69.5</td>
<td>$130.7</td>
<td>16%</td>
<td>14%</td>
</tr>
</tbody>
</table>

1) Updated IRR is based on the cash flow received to date through June 2013 and the projected future cash flow based on our original underwriting assumptions.
2) Excludes approximately $2.3 billion of loans, for which the information is not yet available.
3) 30+ DQ represents the percentage of loans that are delinquent by 30 days or more as of June 30, 2013. Uncollected payments represent the percentage of loans that missed their most recent payment and therefore we did not receive our excess fee.
4) The investment was completed in January 2013 and was based on the January 31, 2013 UPB of the pool. Our interest began accruing based on the February 1, 2013 UPB. We receive the payment of our monthly excess fee in the following calendar month.
5) Projected cash flows assume: (a) 12% delinquency rate of which we assume 66% of borrowers have missed their most recent payment which implies a 8% uncollected payment rate, (b) weighted average lifetime CPR of 14% by applying the following vector: Months 1-13: 19%, Months 14+: 13% and (c) 33% recapture rate. Recaptured loans assume: 10% CPR, 14bps Excess MSR, 8% delinquency rate and 5% uncollected payment rate.
Pool 7: GSE – June 2013

- Since purchase, $2.4 million of total voluntary prepayments – $0.2 billion recapture to date

### Initial Pool

<table>
<thead>
<tr>
<th>Collateral Date</th>
<th>1/31/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Date</td>
<td>1/31/2013</td>
</tr>
<tr>
<td>Price</td>
<td>53 bps</td>
</tr>
<tr>
<td>Invested ($mm)</td>
<td>$67</td>
</tr>
<tr>
<td>Total CF ($mm)</td>
<td>$142</td>
</tr>
<tr>
<td>Expected IRR</td>
<td>16.20%</td>
</tr>
</tbody>
</table>

#### Assumptions for Initial Pool

- CPR (Average Lifetime): 14%
- CRR: 11%
- CDR: 3%
- Uncollected Pmts: 8%
- Recapture Rate: 35%

#### Pool

- UPB ($mm): $37,965
- Count: 268,624
- Avg Loan Amt: $141,332
- Age (mths): 75
- WAC: 5.20%
- MSR: 27 bps
- Basic Fee: 11.0 bps
- Excess MSR: 16.0 bps
- Recaptured MSR: 25.0 bps

### Current Pool

<table>
<thead>
<tr>
<th>Original Pool: CPR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Vector - Mth 1 - 13: 19%; Mth 14+: 13%</td>
</tr>
</tbody>
</table>

#### Original Pool

- UPB ($mm): $31,999
- Count: 234,275
- Avg Loan Amt: $136,589
- Age (mths): 83
- WAC: 5.1%
- MSR: 27 bps
- FICO: 682
- CLTV: 78%
- ARM: 23.7%
- 30+ DQ: 16.1%
- Uncollected Pmts: 10.9%

#### Recapturing Loans: CPR

- Projected Vector – Mth 1-12: Ramp to 10%; Mth 13+: 10%

#### Recapture Rate

- Projected - Mth 1-4: 0%, 10%, 20%, 30%; Mth 5+: 35%

---

1) Pool collateral information presented as of February 28, 2013.
2) Excludes approximately $2.3 billion of loans, for which the information is not yet available.
Pool 8: GSE – June 2013

- Received $2.9 million of cash flow, 8% of initial investment, over 6 months
- Updated IRR of 13%\(^{(1)}\) vs. 16% initial projection, $70.0 million of total cash flow, 1.9x our $36.0 million investment
  - 28% LTD CPR vs. 23% initial projection
  - 38% June recapture rate vs. 35% initial projection

### Collateral\(^{(5)}\)

<table>
<thead>
<tr>
<th>($)</th>
<th>Original Balance</th>
<th>Current Balance</th>
<th>WAC (%)</th>
<th>WAM (mths)</th>
<th>Loan Age (mths)</th>
<th>30+ DQ(^{(3)}) (%)</th>
<th>Uncollected Payments (%)(^{(3)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 8 – Original</td>
<td>$17,622</td>
<td>$13,885</td>
<td>5.5%</td>
<td>292</td>
<td>73</td>
<td>13.2%</td>
<td>9.7%</td>
</tr>
<tr>
<td>Pool 8 – Recapture</td>
<td>--</td>
<td>$277</td>
<td>4.2%</td>
<td>322</td>
<td>1</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total / WA</td>
<td>$17,622</td>
<td>$14,162</td>
<td>5.5%</td>
<td>292</td>
<td>71</td>
<td>12.9%</td>
<td>9.5%</td>
</tr>
</tbody>
</table>

### Performance Update

| | Original Pool: | Recaptured Pool: |
| | UPB ($mm) | Cash Flows ($mm) | CRR | CDR | CPR | Recapture Rate |
| | Jun | Jun | Q2 | LTD | Jun | Q2 | LTD | Jun | Q2 | LTD | Jun | Q2 | LTD |
| Original Pool: | $13,885 | $0.79 | $2.33 | $2.95 | 34% | 29% | 26% | 2% | 1% | 3% | 36% | 30% | 29% |
| Recaptured Pool: | $277 | - | - | - | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Total / WA | $14,162 | $0.8 | $2.3 | $2.9 | 34% | 29% | 26% | 2% | 1% | 3% | 35% | 30% | 28% |

### Investment Performance

<table>
<thead>
<tr>
<th>($)</th>
<th>Acquisition Date</th>
<th>Fee (bps)</th>
<th>% Ownership</th>
<th>Initial Investment</th>
<th>LTD Cash Flow</th>
<th>Cash Basis</th>
<th>Carrying Value</th>
<th>Proj. Future Cash Flows (^{(3)})</th>
<th>Initial Expected IRR</th>
<th>Updated IRR(^{(1)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool 8: GSE(^{(4)})</td>
<td>13-Jan</td>
<td>19</td>
<td>33%</td>
<td>$36.0</td>
<td>$2.9</td>
<td>$33.1</td>
<td>$36.0</td>
<td>$67.1</td>
<td>16%</td>
<td>13%</td>
</tr>
</tbody>
</table>

---

1) Updated IRR is based on the cash flow received to date through June 2013 and the projected future cash flow based on our original underwriting assumptions.
2) Excludes approximately $1.3 billion of loans, for which the information is not yet available.
3) 30+ DQ represents the percentage of loans that are delinquent by 30 days or more as of June 30, 2013. Uncollected payments represent the percentage of loans that missed their most recent payment and therefore we did not receive our excess fee.
4) The investment was completed in January 2013 and was based on the January 31, 2013 UPB of the pool. Our interest began accruing based on the February 1, 2013. We receive the payment of our monthly excess fee in the following calendar month.
5) Projected cash flows assume: (a) 11% delinquency rate of which we assume 66% of borrowers have missed their most recent payment which implies a 7% uncollected payment rate, (b) weighted average lifetime CPR of 15% by applying the following vector: Months 1-13: 23%, Months 14+: 14% and (c) 33% recapture rate. Recaptured loans assume: 10% CPR, 19bps Excess MSR, 8% delinquency rate and 5% uncollected payment rate.
Pool 8: GSE – June 2013

Since purchase, $2.1 billion of total voluntary prepayments – $0.3 billion recapture to date

### Initial Pool

<table>
<thead>
<tr>
<th>Assumptions for Initial Pool</th>
<th>Pool</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPR (Average Lifetime): 15%</td>
<td>UPB ($mm) $17,622</td>
</tr>
<tr>
<td>CRR 13%</td>
<td>Count 112,682</td>
</tr>
<tr>
<td>CDR 2%</td>
<td>Avg Loan Amt $156,390</td>
</tr>
<tr>
<td>Uncollected Pmts 7%</td>
<td>Age (mths) 67</td>
</tr>
<tr>
<td>Recapture Rate 35%</td>
<td>WAC 5.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assumptions for Recaptured Pool</th>
<th>Current Pool</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPR (Average Lifetime): 10%</td>
<td>Original</td>
</tr>
<tr>
<td>CRR 8%</td>
<td>Recaptured</td>
</tr>
<tr>
<td>CDR 2%</td>
<td>Total /WA</td>
</tr>
<tr>
<td>Uncollected Pmts 5%</td>
<td>UPB ($mm) $13,885</td>
</tr>
<tr>
<td>Recapture Rate 35%</td>
<td>Count 93,328</td>
</tr>
<tr>
<td>MSR 28</td>
<td>Avg Loan Amt $148,778</td>
</tr>
<tr>
<td>FICO 719</td>
<td>Age (mths) 73</td>
</tr>
<tr>
<td>CLTV 92%</td>
<td>WAC 5.5%</td>
</tr>
<tr>
<td>ARM 14.1%</td>
<td>MSR 28</td>
</tr>
<tr>
<td>30+ DQ 14.3%</td>
<td>FICO 701</td>
</tr>
<tr>
<td>Uncollected Pmts 11.5%</td>
<td>CLTV 83%</td>
</tr>
</tbody>
</table>

### Original Pool: CPR

Projected Vector - Mth 1 - 13: 23%; Mth 14+: 14%

CPR (%)

### Recaptured Loans: CPR

Projected Vector – Mth 1-12: Ramp to 10%; Mth 13+: 10%

CPR (%)

### Recapture Rate

Projected - Mth 1-4: 0%, 10%, 20%, 30%; Mth 5+: 35%

Recapture (%)

---

1) Pool collateral information presented as of February 28, 2013.
2) Excludes approximately $1.3 billion of loans, for which the information is not yet available.
Financial Statements
## Income Statement

<table>
<thead>
<tr>
<th>($ 000s)</th>
<th>Three Months Ended 30-Jun-13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest income</strong></td>
<td>22,999</td>
</tr>
<tr>
<td><strong>Interest expense</strong></td>
<td>2,651</td>
</tr>
<tr>
<td><strong>Net Interest Income</strong></td>
<td>$20,348</td>
</tr>
</tbody>
</table>

### Impairment

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Other-than-temporary impairment (&quot;OTTI&quot;) on securities</td>
<td>3,756</td>
</tr>
<tr>
<td>Net interest income after impairment</td>
<td>$16,592</td>
</tr>
</tbody>
</table>

### Other Income

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in fair value of investments in excess mortgage servicing rights</td>
<td>41,833</td>
</tr>
<tr>
<td>Change in fair value of investments in excess mortgage servicing rights, equity method investees</td>
<td>20,127</td>
</tr>
<tr>
<td>Earnings from investments in consumer loans, equity method investees</td>
<td>36,164</td>
</tr>
<tr>
<td>Gain on settlement of securities</td>
<td>58</td>
</tr>
<tr>
<td><strong>Total Other Income</strong></td>
<td>98,182</td>
</tr>
</tbody>
</table>

### Operating Expenses

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General and administrative expenses</td>
<td>602</td>
</tr>
<tr>
<td>Management fee allocated by Newcastle</td>
<td>1,809</td>
</tr>
<tr>
<td>Management fee to affiliate</td>
<td>2,263</td>
</tr>
<tr>
<td>Incentive compensation to affiliate</td>
<td>878</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>5,552</td>
</tr>
</tbody>
</table>

### Net Income

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Income</strong></td>
<td>$109,222</td>
</tr>
</tbody>
</table>
## Balance Sheet

<table>
<thead>
<tr>
<th>ASSETS:</th>
<th>30-Jun-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$209,699</td>
</tr>
<tr>
<td>Real estate securities, available-for-sale</td>
<td>$1,759,239</td>
</tr>
<tr>
<td>Investments in excess mortgage servicing rights, at fair value</td>
<td>$271,420</td>
</tr>
<tr>
<td>Investments in excess mortgage servicing rights, equity method investees, at fair value</td>
<td>$183,153</td>
</tr>
<tr>
<td>Investments in consumer loans, equity method investees</td>
<td>$280,816</td>
</tr>
<tr>
<td>Residential mortgage loans, held-for-investment</td>
<td>$33,636</td>
</tr>
<tr>
<td>Other assets</td>
<td>$4,479</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$2,742,442</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES:</th>
<th>30-Jun-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repurchase agreements</td>
<td>$1,474,338</td>
</tr>
<tr>
<td>Due to affiliate</td>
<td>$3,631</td>
</tr>
<tr>
<td>Dividends payable</td>
<td>$17,712</td>
</tr>
<tr>
<td>Accrued expenses and other liabilities</td>
<td>$1,036</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$1,496,717</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Book Value</th>
<th>30-Jun-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per share</td>
<td>$4.92</td>
</tr>
</tbody>
</table>
GAAP Reconciliation
**GAAP Reconciliation of Core Earnings**

- Management uses core earnings, which is a non-GAAP measure, as one measure of operating performance.
- Core earnings excludes impairment, gains (losses) on the sale of investments, other income, and the change in fair value of Excess MSRs, and adjusts consumer loan income to a level-yield basis.

<table>
<thead>
<tr>
<th>($ 000s, except per share data)</th>
<th>Pre-Spin (4/1 - 5/15)</th>
<th>Post-Spin (5/16 - 6/30)</th>
<th>2Q'13 (4/1 - 6/30)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income available for common stockholders</td>
<td>$24,572</td>
<td>$84,650</td>
<td>$109,222</td>
</tr>
<tr>
<td>Impairment</td>
<td>$3,756</td>
<td>$ -</td>
<td>$3,756</td>
</tr>
<tr>
<td>Other Income</td>
<td>$(20,298)</td>
<td>$(77,884)</td>
<td>$(98,182)</td>
</tr>
<tr>
<td>Core earnings of equity method investees:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess mortgage servicing rights</td>
<td>1,716</td>
<td>1,147</td>
<td>2,863</td>
</tr>
<tr>
<td>Consumer Loans</td>
<td>9,986</td>
<td>9,807</td>
<td>19,793</td>
</tr>
<tr>
<td>Core Earnings</td>
<td>$19,732</td>
<td>$17,720</td>
<td>$37,452</td>
</tr>
<tr>
<td>Per Diluted Share</td>
<td>$0.08</td>
<td>$0.07</td>
<td>$0.15</td>
</tr>
</tbody>
</table>